

1. In a system for effectuating collaboration between one or many buyers and sellers, and their third-party service providers, (collectively called “partners”) in a supply community which enables an establishing partner to establish consequences that motivate one or more other partners to achieve or exceed a minimum required level of performance on at least one performance indicator that measures aggregate performance for a set of events defined by a time or count period wherein the other partners, the performance indicators, the minimum level of performance required for each performance indicator, and the consequence for each performance indicator are selected and specified by the establishing partner all of which define an incentive program, a method including the steps of: selecting at least one other partner; selecting at least one performance indicator for each selected partner and specifying the minimum level of performance and the consequence for the at least one selected indicator; collecting and storing data necessary to calculate the performance of the at least one selected partner on the at least one selected performance indicator; analyzing the collected and stored data to generate an aggregated measure of performance for the time or event count period; and determining the credit or debit due to the at least one selected and participating partner for the time or event count period.

2. The method as claimed in claim 1 wherein the at least one selected partner is from a group of one or more partners where the group is defined by a common attribute that does not include the establishing partner.

3. The method as claimed in claim 1 wherein the at least one selected partner is from any group of at least one other partner.

4. The method as claimed in claim 1 wherein the establishing partner selects a group of at least one other partners and all partners in the selected group of partners share a common attribute.

5. The method as claimed in claim 1 wherein the establishing partner selects at least one other partner from more than one group of partners, each group having at least one other partner.

6. The method as claimed in claim 1 wherein the consequence for a selected incentive is a financial reward favorable to the at least one selected partner.

7. The method as claimed in claim 1 wherein the consequence for a selected incentive is a financial reward favorable and a financial penalty unfavorable to the at least one selected partner when the minimum required level of performance is not achieved.

8. The method is claimed in claim 6 or 7 wherein the consequence for a selected incentive is a financial reward that is less than or more than the net cost savings realized by the establishing partner for each unit increment improvement in performance when the at least one participating partner achieves

and exceeds the minimum required level of performance on the at least one performance indicator.

9. The method as claimed in claims 2, 3, 4 or 5 wherein the least one selected partner may elect to participate or not to participate in any incentive and with any partner.

10. The method as claimed in claims 2, 3, 4 or 5 wherein the consequence for a selected incentive program is a financial reward favorable to the at least one selected partner and a financial penalty unfavorable to the at least one selected partner when the minimum required level of performance is not achieved and the at least one selected partner may elect to or not to participate in the selected incentive program.

11. The method as claimed in claims 2, 3, 4, or 5 wherein the consequence for a selected incentive program is a financial reward favorable to the at least one favorable selected partner and a financial penalty unfavorable to the at least one selected partner when the minimum required level is not achieved and the at least one selected partner may elect to participate or not to participate in the selected incentive program.

12. The method as claimed in claim 1 wherein the establishing partner can specify the time or count measurement period of the selected performance

indicators and designate the minimum required level of performance and the consequence for each selected performance indicator the at least one selected partner.

13. The method as claimed in claim 12 wherein the establishing partner can specify the time or count incentive program duration period for each incentive incentive program for at least one more selected partner.

14. The method as claimed in claim 13 wherein the establishing partner can specify the minimum level of performance for a selected performance indicator with any partner.

15. The method as claimed in claim 1 wherein the establishing partner can specify the minimum required level of performance for at least one selected performance indicator with at least one selected partner.

16. The method as claimed in claims 1, 6 and 15 wherein the establishing partner may increase any favorable reward or reduce the minimum required level of performance for a selected incentive program anytime during the time or count incentive program duration period for that incentive.

17. The method as claimed in claim 16 wherein the establishing partner may lower the time or count measurement period at anytime .

18. The method as claimed in claim 16 wherein the establishing partner may change the time or count measurement period at anytime provided that the time or count measurement is not longer than the time of county incentive program duration period.

19. The method as claimed in claim 14 wherein the establishing partner may discontinue a selected and specified incentive at any time after completion of the time or count incentive program duration period.

20. The method as claimed in claim 1 further comprising the steps of: collecting and storing data necessary to calculate the selected performance indicators wherein the data quantitatively describes the product or service provided and the means of providing the product or service using selected attributes.

21. A system for effectuating collaboration between one or many buyers and sellers, and their third party service providers ("partners") in a supply community which enables an establishing partner to establish consequences that motivate one or more to achieve or exceed a minimum required level of performance on at least one performance indicator that measures aggregate performance for a set of events defined by a time or count period wherein the other partners, the performance indicators, the minimum level of performance required for each performance indicator, and the consequence for each performance indicator are selected and specified by the establishing partner, all

of which define an incentive program, the system comprising: means for an establishing partner to select at least one other partner; means for the establishing party to select at least one performance indicator for each selected partner and to specify the minimum required level of performance and the consequence for the at least one selected indicator; means for collecting and storing data necessary to calculate the performance of the at least one partner on the at least one selected performance indicator; means for analyzing the collected and stored data to generate an aggregated measure of performance for the time or event count period; and means for determining the credit or debit due to the at least one selected and participating partner for the time or event count period.

22. The system as claimed in claim 21 wherein the at least one selected partner is selected from a group of one or more partners where the group is defined by a common attribute and does not include the group of the establishing partner.

23. The system as claimed in claim 22 wherein the at least one selected partner is from any group of at least one other partner.

24. The system as claimed in claim 22 wherein the establishing partner selects a group of at least one other partner where the at least one other partner in the selected group of partners shares a common attribute.

25. The system as claimed in claim 22 wherein the establishing partner selects at least one other partner from more than one group of partners each group having at least one other partner.

26. The system as claimed in claim 22 wherein the consequence for a particular incentive is a financial reward favorable to the at least one selected partner.

27. The system as claimed in claim 22 wherein the consequence for a selected incentive is a financial reward favorable to the at least one selected partner and a financial penalty unfavorable to the at least one selected partner when the minimum required level of performance is not achieved.

28. The system as claimed in claims 26 or 27 wherein the consequence for a selected incentive is a financial reward that is less than or more than the net cost savings realized by the establishing partner for each unit improvement in performance when the at least one participating partner achieves and exceeds the minimum required level of performance on the at least one performance indicator.

29. The system as claimed in claims 23, 24, 25 or 26 wherein the at least one selected partner may elect to participate or not participate in any incentive and with any partner.

30. The system as claimed in claims 23, 24, 25 or 26 wherein the consequence for a selected incentive program is a financial reward favorable to the at least one selected partner and the at least one selected partner the at least one selected partner must participate in the selected incentive program.

31. The system as claimed in claims 23, 24, 25 or 26 wherein the consequence for a selected incentive program is a financial reward favorable to the at least one selected partner and a financial penalty unfavorable to the at least one selected partner when the minimum required level of performance is not achieved and the selected partners may elect to participate or not to participate in the selected incentive program.

32. The system as claimed in claim 22 wherein the establishing partner can establish the time or count measurement period of the selected performance indicators and designate the minimum required level of performance and the consequence for each selected performance indicator for at least one selected partner.

33. The system as claimed in claim 32 wherein the establishing partner can specify the time or count incentive program duration period for each incentive for at least one selected partner.

34. The system as claimed in claim 33 wherein the establishing partner must specify a time or count incentive program duration period that is greater



than the specified time or count measurement period for the at least one selected performance indicator.

35. The system as claimed in claim 22 wherein the establishing partner can specify the minimum required level of performance for a selected performance indicator with at least one selected partner.

36. The system as claimed in claims 22, 25 or 35 wherein the establishing partner may increase any favorable reward or reduce the minimum required level of performance for a specified incentive program anytime during the time or count incentive program duration for the selected incentive program.

37. The system as claimed in claim 36 wherein the establishing partner may lower the time or count measurement period at anytime.

38. The system as claimed in claim 37 wherein the establishing partner may change the time or count measurement period at anytime provided the time or count measurement is not longer than the time or count incentive program duration period.

39. The system as claimed in claim 35 wherein the establishing partner may discontinue a selected and specified incentive program at anytime after completion of the time or count incentive program duration period.

40. The system as claimed in claim 22 wherein the system is modular in design and the modules include a customer care module, a data entry and management module, an incentive program creation and management module and an account management module.

41. The system as claimed in claim 40 wherein the customer care module provides information for prospective partners, enrolls joining partners, and provides new partners with information, communication tools and training tools; the master data entry and management module maintains the required and necessary master data about each business and locations; the transaction module enters and manages the data that drives the performance and incentive modules; the performance module evaluates the performance of each participating partner against the key performance indicators; the incentive program creation and management module provides the partners with means to create and manage their own incentive programs; and the account management module provides a monthly financial report and invoice for each partner.

42. The system as claimed in claim 22 wherein the establishing partner selects a group of partners and all partners in the selected group of partners share a common attribute, the establishing partner selects partners from more than one group of partners, the consequence for a selected performance indicator may be more than or less than the net cost savings realized by the establishing partner for each unit improvement in the at least one performance indicator, the at least one selected partner must participate in all incentive programs with all

establishing partners, the at least one selected partners may elect to participate or not participate in any incentive program with any establishing partner, the establishing partner can specify the time and count measurement duration for each incentive for each other partner, the establishing partner can specify the time or count program duration for each incentive for at least one selected partner, the establishing partner can specify the minimum required level of performance for a selected performance indicator with at least one selected partner, the establishing partner may change the time or count measurement at anytime provided that the time or count measurement period is not longer than the time or count incentive program duration period, and the establishing partner may discontinue an incentive program at anytime after the completion of the time or count duration period for that incentive program.

43. The method as claimed in claim 1 wherein the establishing partner and the at least one selected partner may be in the same corporate entity.

44. The method as claimed in claim 20 wherein the establishing partner and the at least one selected partner may be in the same corporate entity.

45. The system as claimed in claim 21 wherein the establishing partner and the at least one selected partner may be in the same corporate entity.

46. The system as claimed in claim 40 wherein the establishing partner and the at least one selected partner may be in the same corporate entity.

47. The method as claimed in claim 1 wherein the establishing partner selects a group of partners and all partners in the selected group of partners share a common attribute, the establishing partner selects partners from more than one group of partners, the consequence for a selected performance indicator may be more than or less than the cost savings realized by the establishing partner for each unit improvement in the at least one performance indicator, the at least one selected partner may elect to participate or not to participate in any incentive program and with any establishing partner, the establishing partner can specify the time or count program duration for each incentive for at least one selected partner, the establishing partner can specify the minimum required level of performance for a selected performance indicator with at least one selected partner, the establishing partner may change the time or count measurement period at anytime provided the time or count measurement period is not longer than the time or count incentive program duration period, and the establishing partner may discontinue an incentive program at anytime after the completion of the time or count duration period for the selected incentive program.